1 Andrew H. Wilson WILSON, RYAN & CAMPILONGO 2 235 Montgomery Street Suite 450 3 San Francisco, CA 94104 (415) 391-3900 4 Laurie J. Bartilson 5 BOWLES & MOXON RECEIVED 6255 Sunset Boulevard 6 Suite 2000 DEC 0 2 1993 Los Angeles, CA 90028 7 (213) 661-4030 **HUB LAW OFFICES** 8 Attorneys for Plaintiff CHURCH OF SCIENTOLOGY INTERNATIONAL 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF MARIN 11 12 CHURCH OF SCIENTOLOGY) CASE NO. 157 688 INTERNATIONAL, a California not-) 13 for-profit religious corporation;) PLAINTIFF'S SEPARATE) STATEMENTS OF DOCUMENT 14 Plaintiff,) PRODUCTION REQUESTS AT) ISSUE 15 VS.) [FILED CONCURRENTLY WITH 16 GERALD ARMSTRONG; MICHAEL WALTON;) PLAINTIFF'S MOTION TO THE GERALD ARMSTRONG CORPORATION,) COMPEL PRODUCTION OF a California for-profit 17) DOCUMENTS FROM DEFENDANTS corporation; Does 1 through 100,) GERALD ARMSTRONG AND inclusive,) MICHAEL WALTON, FILED UNDER) SEPARATE COVER] 19 Defendants. 20 21 SEPARATE STATEMENT CONTAINING REQUESTS FOR THE PRODUCTION OF 22 DOCUMENTS BY DEFENDANT MICHAEL WALTON 23 (Plaintiff's First Request for Production of Documents) 24 Pursuant to Law and Discovery Manual § 251 et seq., plaintiff Church of Scientology International hereby presents its Separate Statement in support of its concurrently filed motion to 27 compel production of documents in response to Plaintiff's First 28 Request for the Production of Documents by Defendant Walton.

REQUEST FOR PRODUCTION No. 1:

Request for Production 1:

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All documents relating to the passing of title or conveyance of the property known as 707 Fawn Drive, San Anselmo, California, and more particularly described as follows:

PARCEL ONE

PARCEL TWO as shown upon that certain Parcel May entitled, "Parcel Map Lands of California Land Title Portion Lands described in book 2887 of Official Records, at page 367, also being Portion of Lots 501 and 501-A unrecorded Map of Sleepy Hollow Acres, Vicinity of San Anselmo, Marin County, California", filed for record April 8, 1976 in Volume 12 of Parcel Maps, at page 43, Marin County Records.

EXCEPTING THEREFROM that portion deeded to Alain Pigois and Nina Pigois husband and wife, as community property, by Deed recorded February 27, 1989, Serial No. 89 13373.

PARCEL TWO

AN EASEMENT for ingress, egress and public utility purpose described as follows:

BEGINNING at a point on the centerline of Fawn Drive, said point being the most southwesterly corner of Parcel 3, as upon that certain map entitled, "Parcel Map Lands of California Land Title Portion page 367, also being a portion of Lots 501 and 501-A, unrecorded Map of Sleepy Hollow Acres, Vicinity of San Anselmo, Marin County, California", filed for record April 9, 1976 in Volume 12 of Parcel Maps, at page 43, Marin County Records, said point also being the intersection of the calls "South 26 degrees 20' East 135 feet and North 63 degrees 40' East 20 feet" as contained in Parcel 2 of the Deed executed by California Land Title Company, a corporation to Michael C. McGuckin, et ux, recorded March 26, 1976 in Book 3010 of Official Records, at page 190, Marin County Records; thence from said point of beginning and along the exterior boundary of said Parcel 3, North 63 degrees 40' East 20 feet; thence North 75 degrees 07' 20"East 164.00 feet; thence leaving said exterior boundary of Parcel 3, North 12 degrees 41' East 85.00 feet; thence North 30 degrees 45' West 126.00 feet, thence North 13 degrees 30' East 79.21 feet to the northwesterly boundary of Parcel 1, as shown upon that certain map referred to hereinabove; then along the exterior boundary of said Parcel 1, South 84 degrees 00' west 75.70 feet to the most Northerly corner of the parcel of land described in the Deed executed by Charles B. Robertson, et ux, to Paul Hopkins, Jr., et ux, recorded page 623, Marin County Records; then

111.7 feet, thence leaving said exterior boundary of Parcel 1, South 18 degrees 45' East 95.06 feet thence South 21 degrees 48' West 70.66 feet; thence South 75 degrees 07' 20" West 160.00 feet to the certline of Fawn Drive; thence along the exterior boundary of said Parcel 3, also being the centerline of "Fawn Drive, South 26 degrees 20' East 34.46 feet to the point of the beginning.

(the "PROPERTY"), from the date of acquisition to the present, including all documents relating to the acquisition of the PROPERTY. Such documents shall include those relating to any passing of title or conveyance to you by Gerald Armstrong.

Response to Request for Production No. 1:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

The Church has brought this action against Walton and his co-defendants for fraudulent conveyance of assets belonging to defendant Gerald Armstrong. This request seeks documents related to the transfer of real property to Walton by Gerald Armstrong, for which Armstrong has claimed he received no consideration. The documents sought by this request are directly related to the Church's claims against Walton and his co-defendants, and in no way infringe upon Walton's right to privacy, or that of any other person.

Even were Walton able to assert a reasonable basis for the claim of privacy as to these documents, that right is not absolute. Where, as here, the information requested is essential

to determining the matters in dispute, the courts must balance the privacy rights of persons subject to discovery against the right of civil litigants to discover relevant facts and the public interest in obtaining just results in litigation. Britt v. Superior Court (1978) 20 Cal.3d 844, 143 Cal.Rptr. 695; Vinson v. Superior Court (1987) 43 Cal.3d 833, 842, 239 Cal.Rptr. 292, 299; Valley Bank v. Superior Court (1975) 15 Cal.3d 652, 125 Cal.Rptr. 553, 555. Even very personal and confidential information may have to be disclosed if "essential to a fair determination of the lawsuit." Morales v. Superior Court (1979) 99 Cal.App.3d 283, 160 Cal.Rptr. 194.

As shown above, the documents sought by this request are directly relevant to the Church's claims and are likely to lead to the discovery of additional admissible evidence. The Church is entitled to discover facts related to the conveyance of property from defendant Gerald Armstrong to Walton and his co-defendants.

C.C.P. § 2017(a) provides that a party may obtain discovery

[R]egarding any matter, not privileged, that is relevant to the subject matter involved in the pending action... if the matter either is itself calculated to lead to the discovery of admissible evidence. Discovery may relate to the claim or defense of the party seeking discovery or any other party to the action.

The discovery provisions are interpreted liberally, with all doubt resolved in favor of permitting discovery. Colonial Life & Acc. Ins. Co. v. Superior Court (1982) 31 Cal.3d 785, 790, 183 Cal.Rptr. 810, 813, fn. 7-8; Greyhound Corp. v. Superior Court, 364 P.2d 266, 15 Cal.Rptr. 90; Davies v. Superior Court, 36 Cal.3d 291, 204 Cal.Rptr. 154.

The request is clear and specifically drawn and identifies

the subject matter of the requested documents with sufficient reasonably particularity. The request seeks documents concerning the transfer of assets from defendant Gerald Armstrong to defendant Walton. Such a request is neither "overbroad", "burdensome and oppressive" nor "harassive" when made in the context of fraudulent conveyance litigation.

Finally, no order exists prohibiting discovery in this action. This Court has already denied not one, but two, attempts by defendants to stay discovery herein. [Ex. C to Declaration of Andrew Wilson] The cases pending in Los Angeles are, indeed, stayed while the Court of Appeal considers Armstrong's appeal of the preliminary injunction which that Court granted to the Church. Discovery there, however, has nothing to do with discovery here. Nothing in any order of the Los Angeles court can reasonably be construed to prohibit, stay or interfere with discovery here; at most, the stay in those cases has put discovery therein on hold.

REQUEST FOR PRODUCTION No. 2:

Request for Production N. 2:

All documents evidencing or relating to title of the PROPERTY or any portion thereof when you first received title to the PROPERTY.

Response to Request For Production No. 2:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the

Superior Court of Los Angeles County, California. 1 2 Reasons Why Production of Documents Is Necessary: See argument regarding Request No. 1, above. 3 REQUEST FOR PRODUCTION No. 3: 4 5 Request for Production No. 3: All documents evidencing, comprising or relating to 6 7 agreements with Gerald Armstrong and/or The Gerald Armstrong Corporation relating to the PROPERTY including, but not limited 8 9 to, agreements of co-ownership and respective amounts of 10 contribution towards down payment and mortgage payments. 11 Response to Request for Production No. 3: 12 I object to this demand on the grounds that it violates my 13 constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not 14 calculated to lead to the discovery of admissible evidence. 15 It also constitutes discovery prohibited by the Order of the 16 17 Superior Court of Los Angeles County, California. Reasons Why Production of Documents is Necessary: 18 19 See argument regarding Request No. 1, above. 20 REQUEST FOR PRODUCTION No. 4: 21 Request for Production No. 4: 22 All documents evidencing, relating to or comprising property 23 tax bills or property tax statements for the PROPERTY that have 24 been incurred or received at any time from December 1986 until 25 the present. 26 Response to Request for Production No. 4: 27 I object to this demand on the grounds that it violates my

constitutional right to privacy; it is irrelevant, vague and

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overbroad, burdensome and oppressive, harassive and not 1 calculated to lead to the discovery of admissible evidence. also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California. 4 Reasons Why Production of Documents is Necessary: 5 See argument regarding Request No. 1, above. 6 REQUEST FOR PRODUCTION No. 5: 7 8 Request for Production No. 5: All documents evidencing, comprising or relating to payments 9 10 made, including checks or money orders or other documentation of 11 payments made on the aforementioned property tax bills. 12 Response to Request for Production No. 5: I object to this demand on the grounds that it violates my 13 14 constitutional right to privacy; it is irrelevant, vague and 15 overbroad, burdensome and oppressive, harassive and not 16 calculated to lead to the discovery of admissible evidence. It 17 also constitutes discovery prohibited by the Order of the 18 Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION No. 6:

Request for Production No. 6:

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All documents comprising or relating to any agreement concerning liens, easements, rights of way, mineral rights, water rights, leaseholds and any other interest in the PROPERTY.

Response to Request for Production No. 6:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and

overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION No. 7:

Request for Production No. 7:

All documents evidencing, comprising or relating to any liens, encumbrances, foreclosure actions, whether pending or not, on the PROPERTY including but not limited to, documents relating to any payment or partial payment toward a lien, foreclosure action or other encumbrance.

Response to Request for Production No. 7:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION No. 8:

Request for Production No. 8:

All documents, including loan applications, relating to any loans secured by the PROPERTY at any time from the acquisition of the PROPERTY by you to the present whether or not said loan(s) is/are repaid. If said loan(s) is/are repaid, even if you were

not the person(s) who repaid it, please provide all documents relating to said repayment.

Response to Request for Production No. 8:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION No. 9:

Request for Production No. 9:

All documents comprising, evidencing or relating to payment made or other exchange applied for any transfer of title on the PROPERTY from 1986 until the present. This is to include, but not be limited to, cancelled checks or receipts.

Response to Request for Production No. 9:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION No. 10:

Request for Production No. 10:

All documents comprising, evidencing or reflecting bills or invoices, and payments thereon, of household maintenance from the acquisition of any portion of the PROPERTY by you to the present.

Response to Request for Production No. 10:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents is Necessary:

See argument regarding Request No. 1, above.

REQUEST FOR PRODUCTION OF DOCUMENTS No. 11

Request For Production of Documents No. 11:

All documents comprising, evidencing or relating to bills or invoices, contracts, oral or written, and payments thereon of subcontractors, materialmen, suppliers or other individuals or business entities who provided labor, material or supplies for modification of the PROPERTY at any time from the acquisition of the PROPERTY by you to the present.

Response to Request For Production No. 11:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

See argument regarding Request No. 1, above.

Request For Production of Documents No. 12:

All documents comprising, evidencing or relating to payments to any utility companies for the utilities at the PROPERTY at any time from the acquisition of the PROPERTY to the present.

Response to Request For Production No. 12:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents Is Necessary:

See argument regarding Request No. 1, above.

Request For Production of Documents No. 13:

All documents reflecting the names, addresses and telephone numbers of all accountants, accounting firms and other persons or businesses that you retained to manage, analyze, monitor or keep records of your business and personal financial affairs and assets, from July 1, 1990 to the present.

Response to Request For Production No. 13:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents Is Necessary:

In August 1990, defendant Gerald Armstrong transferred real property, ownership of shares of stock in defendant Gerald Armstrong Corporation and cash to defendant Walton and his codefendants. Armstrong effected these transfers in order to hide his assets and avoid the consequences of a liquidated damages clause in Armstrong's 1986 settlement agreement with the Church.

This request seeks documents related to the transfer of assets to Walton by Gerald Armstrong, from which Walton has benefited and for which Armstrong has claimed he received no consideration. The documents sought by this request are directly related to the Church's claims against Walton and his codefendants, and in no way infringe upon Walton's right to privacy, or that of any other person.

Even were Walton able to assert a reasonable basis for the claim of privacy as to these documents, that right is not absolute. Where, as here, the information requested is essential to determining the matters in dispute, the courts must balance the privacy rights of persons subject to discovery against the right of civil litigants to discover relevant facts and the public interest in obtaining just results in litigation. Britt v. Superior Court (1978) 20 Cal.3d 844, 143 Cal.Rptr. 695; Vinson v. Superior Court (1987) 43 Cal.3d 833, 842, 239 Cal.Rptr. 292, 299; Valley Bank v. Superior Court (1975) 15 Cal.3d 652, 125 Cal.Rptr. 553, 555. Even very personal and confidential information may have to be disclosed if "essential to a fair determination of the lawsuit." Morales v. Superior Court (1979) 99 Cal.App.3d 283, 160 Cal.Rptr. 194.

As shown above, the documents sought by this request are

directly relevant to the Church's claims and are likely to lead to the discovery of additional admissible evidence. The Church is entitled to discover facts related to the conveyance of property from defendant Gerald Armstrong to Walton and his co-defendants.

C.C.P. § 2017(a) provides that a party may obtain discovery

[R]egarding any matter, not privileged, that is relevant to the subject matter involved in the pending action... if the matter either is itself calculated to lead to the discovery of admissible evidence. Discovery may relate to the claim or defense of the party seeking discovery or any other party to the action.

The discovery provisions are interpreted liberally, with all doubt resolved in favor of permitting discovery. Colonial Life & Acc. Ins. Co. v. Superior Court (1982) 31 Cal.3d 785, 790, 183 Cal.Rptr. 810, 813, fn. 7-8; Greyhound Corp. v. Superior Court, 364 P.2d 266, 15 Cal.Rptr. 90; Davies v. Superior Court, 36 Cal.3d 291, 204 Cal.Rptr. 154.

The request is clear and specifically drawn and identifies the subject matter of the requested documents with sufficient reasonably particularity. The request seeks documents concerning the transfer of assets from defendant Gerald Armstrong to defendant Walton. Such a request is neither "overbroad", "burdensome and oppressive" nor "harassive" when made in the context of fraudulent conveyance litigation.

Finally, no order exists prohibiting discovery in this action. This Court has already denied not one, but two, attempts by defendants to stay discovery herein. [Ex. C to Declaration of Andrew Wilson] The cases pending in Los Angeles are, indeed, stayed while the Court of Appeal considers Armstrong's appeal of the preliminary injunction which that Court granted to the

Church. Discovery there, however, has nothing to do with discovery here. Nothing in any order of the Los Angeles court can reasonably be construed to prohibit, stay or interfere with discovery here; at most, the stay in those cases has put discovery therein on hold.

Request For Production of Documents No. 14:

All documents reflecting your financial condition from January 1, 1990 to the present. Such documents shall include but not be limited to financial statements, asset statements and balance sheets.

Response to Request For Production No. 14:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents Is Necessary:

See argument regarding Request No. 13, above.

Request For Production of Documents No. 15:

All documents reflecting the name, address and telephone number of the location at which all your business, personal and banking accounts, including those of the Gerald Armstrong Corporation, are maintained.

Response to Request For Production No. 15:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not

calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents Is Necessary:

See argument regarding Request No. 13, above.

Request For Production of Documents No. 16:

All documents which refer to, relate to, mention, discuss, concern or evidence, without limitation, any transfer of cash and/or shares of stock in the Gerald Armstrong Corporation made by Gerald Armstrong to you or any person or corporation from July 1, 1990 until the present.

Response to Request For Production No. 16:

I object to this demand on the grounds that it violates my constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. It also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California.

Reasons Why Production of Documents Is Necessary:

See argument regarding Request No. 13, above.

Request For Production of Documents No. 17:

All documents which refer to, relate to, mention, discuss, concern or evidence, without limitation, any property, cash or other asset paid by you, of any kind whatsoever, in exchange for every transfer of cash and/or shares of stock in The Gerald Armstrong Corporation made to you by Gerald Armstrong.

Response to Request For Production No. 17:

I object to this demand on the grounds that it violates my

constitutional right to privacy; it is irrelevant, vague and overbroad, burdensome and oppressive, harassive and not calculated to lead to the discovery of admissible evidence. also constitutes discovery prohibited by the Order of the Superior Court of Los Angeles County, California. Reasons Why Production of Documents Is Necessary: See argument regarding Request No. 13, above. Dated: November 30, 1993 BOWLES & MOXON Laurie J. Bartilson BOWLES & MOXON Andrew H. Wilson WILSON, RYAN & CAMPILONGO Attorneys for Plaintiff Church of Scientology International

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PROOF OF SERVICE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Boulevard, Suite 2000, Los Angeles, CA 90028.

On November 30, 1993, I served the foregoing document described as PLAINTIFF'S SEPARATE STATEMENT OF DOCUMENT PRODICTION REQUESTS AT ISSUE on interested parties in this action,

- [] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
- [X] by placing [] the original [X] true copies
 thereof in sealed envelopes addressed as follows:

FORD GREENE
HUB Law Offices
711 Sir Francis Drake Blvd.
San Anselmo, CA 94960-1949

MICHAEL WALTON 707 Fawn Drive San Anselmo, CA 94960

GERALD ARMSTRONG 715 Sir Francis Drake Boulevard San Anselmo, CA 94960-1949

THE GERALD ARMSTRONG CORPORATION 715 Sir Francis Drake Boulevard San Anselmo, CA 94960-1949

[X] BY MAIL

- [X] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.
- [] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more

than one day after date of deposit for mailing an affidavit.

Executed on November 30, 1993 at Los Angeles, California.

[]	**(B	Y :	PERSO	NAL	SEI	RVICE)	I	del	ivered	such
en	vel	opes	by	hand	to	the	offices	of	the	addres	sees.

Executed on ______, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Print or Type Name

Signature

^{* (}By Mail, signature must be of person depositing envelope in mail slot, box or bag)

^{** (}For personal service signature must be that of messenger)